

Washington, DC – Congressman Joe Sestak (PA-07), Vice-Chairman of the House Small Business Committee, supported passage of three critical programs for small businesses, which comprise 99 percent of American industry and employ half of the private sector workforce. The bills which passed the House today are H.R. 1807, the Educating Entrepreneurs through Today's Technology, which will permit the Small business Administration to work with organizations that can provide the highest levels of entrepreneurial skill training programs; the Veterans Business Center Act, which provides funding for Veteran Small Business Development Center to offer business training skills to Veterans; and S. 1513, providing for an extension of programs under the Small Business Investment Act of 1958, which authorized the Small Business Innovation Research Program.

"As Vice-Chairman of the House Small Business Committee, I believe that the entrepreneurial spirit of Americans is one of the greatest assets to our local and national economies," said the Congressman. "It is more necessary than ever during this economic downturn for our representatives to support and expand our communities' small businesses to ensure a successful and secure future for entrepreneurship in our economy."

Details of the three Small Business bills that passed the House today are provided below:

H.R. 1807, the Educating Entrepreneurs through Today's Technology Act:

The legislation requires the Small Business Administration to contract with third-party vendors for entrepreneurial training content and the development of communications technology that can be distributed. The training content would be available in English and at least two other languages. The bill also provides that the content must be timely and relevant to entrepreneurial development and capable of being "communicated remotely to an audience through the use of technology." To the extent possible, the content would be required to make use of technologies that allow for remote interaction by the content provider with an audience.

The measure directs the SBA to ensure that the content is catalogued and accessible to small businesses online or through other remote technologies. Under the bill, the SBA would submit a report to Congress six months after the bill's enactment providing an analysis of progress made in implementing these provisions. The SBA would then submit a report to Congress one year after enactment, and annually thereafter, detailing the number of presentations made and the

number of small businesses served by the bill's proposed distance learning program.

The measure authorizes \$2 million in each of fiscal years 2010 and 2011. As of press time Friday, the Congressional Budget Office had not released a cost estimate for the bill. Veterans Business Center Act of 2009

The Veterans Business Center Act authorizes \$10 million in FY 2010 and \$12 million in FY 2011 for the Small Business Administration (SBA) to establish a Veterans business center program to provide entrepreneurial training and counseling to veterans, including surviving spouses. The funding authorizes one-on-one instruction and classes to veteran-owned businesses, and guidance in accessing government procurement. Under the bill, the SBA is permitted to establish rules for a process to designate Veterans business centers that would be qualified for the new program.

Initially, Veterans business centers will receive a grant of \$150,000 each year for five years and then \$100,000 each year for three years. After an eight-year period, if a center fulfilled performance benchmarks set by the SBA, it would be permitted to apply for additional grants.

Priorities for the funding would be given to Centers in areas with large Veteran populations that exceed the national median and areas with Iraq and Afghanistan Veteran populations that exceed the national median. The bill authorizes the director to carry out a Veterans business center networking event once every two years, and authorizes \$450,000 for the event in FY 2010 or FY 2011.

The measure authorizes \$1.5 million for the SBA to provide centers with \$75,000 each for three grants — access to capital grants, procurement assistance grants, and service-disabled veterans grants. The capital grants would be used to develop specialized programs to assist veteran-owned small businesses in securing capital and repairing damaged credit. The procurement grants would be used to work with local agencies to identify contracts that are suitable for businesses, prepare businesses to be project-ready as subcontractors, and to provide technical assistance regarding the federal procurement process. The service-disabled grants would be used to develop outreach programs to local and regional service-disabled veterans regarding the benefits of self employment, and the knowledge necessary to operate a small business.

S. 1513 - A bill to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958

Temporarily extends the Small Business Investment Act, which authorizes the Small Business Innovation Research program— a program which ensures that the nation's small, high-tech, innovative businesses are a significant part of the federal government's research and development efforts. Eleven federal departments participate in the SBIR program; five departments participate in the STTR program, awarding \$2 billion to small high-tech businesses.

Congressman Sestak's Additional Efforts to Support Small Businesses are Listed Below:

Vice Chairman of the House Small Business Committee

Authored the Small Business Lending Promotion Act of 2009

Makes the Small Business Administration's (SBA) Community Express Lending Program permanent. Doing so will lift the program's 14 year status as one of SBA's most successful pilot programs and thereby remove artificial caps on the number of Community Express loans that may be issued. Community Express represents approximately 12% of current SBA loans and 25.6% of all SBA loans to minorities and socially or economically disadvantaged entrepreneurs.

Authored the Small Business Entrepreneurial Development Programs Act

Enhances two critical Small Business Administration (SBA) Entrepreneurial Development programs: Small Business Development Centers (SBDCs), including Women Business Development Centers, and the Service Corps for Retired Executives (SCORE).

Authored the SBA Trade Programs Act

Helps entrepreneurs overcome dislocations due to global trends through outreach centers, including Women's Business Center.

Authored Amendments to the Small Business Fairness in Contracting Act

1. Requires large federal mega-contracts to undergo a bundling analysis to create more

opportunities for small businesses;

2. Requires market research for Department of Defense contracts greater than \$1 million in value.

### Authored Transparency Amendments for Small Businesses

Amendment to the SBIR/STTR Reauthorization Act provided for an explanation to SBIR and STTR applicants who are denied an award.

### Authored Amendment to Repeal Comp Demo

The repeal of Comp Demo will improve small business prime and subcontracting opportunities through re-establishment of small business set-asides in government procurement. Repealing this legislation would also simplify contract data collection and reporting requirements, and eliminate the administrative effort necessary to carry out Comp Demo.

### Voted for Small Business Provisions in Emergency Economic Recovery Act (Stimulus)

Puts fresh capital in the hands of small business owners, which will result in the creation or retention of approximately 400,000 jobs, more than 15 percent of the jobs the economy shed last year; and also targets \$25 billion in tax relief to small businesses, which will also help spur growth.

### Voted for TARP Reform and Accountability Act

This bill will amend the Troubled Assets Relief Program (TARP) provisions of the Emergency Economic Stabilization Act of 2008 (EESA) to strengthen accountability, close loopholes, increase transparency, and require Treasury to take significant steps on foreclosure mitigation. It also requires that Treasury act promptly to permit the smaller community financial institutions and small businesses that have been shut out so far to participate on the same terms as the large institutions that have already received funds.

Voted for H.R. 3567, the Small Business Investment Expansion Act, which establishes the Office of Angel Investment within the SBA.

Amends the Small Business Investment Act of 1958 to increase the maximum amounts of outstanding leverage made available by the Small Business Administration (SBA) to: (1) any one small business investment company (SBIC) which provides loans to small businesses; and (2) two or more SBICs that are commonly controlled. Increases the total amount of debentures and participating securities issued by an SBIC that may be guaranteed by the SBA in the case of an SBIC that certifies that not less than 50% of its aggregate investments will be made in

small businesses that are either: (1) majority owned by socially or economically disadvantaged individuals, veterans, or current or former members of the National Guard or reserves; or (2) located in a low-income geographic area.

### Original Co-sponsor of the SBIR/STTR Reauthorization Act

Amends the Small Business Act to extend (currently scheduled to expire at the end of FY2008) the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs of the Small Business Administration (SBA). Increases, for both the SBIR and STTR programs, the individual small business award levels from: (1) \$100,000 to \$300,000, for participation at a Phase One level; and (2) \$750,000 to \$2.2 million, for participation at a Phase Two level. Allows participating federal agencies (agencies) to exceed such award levels if such agencies notify, and provide annual reports concerning such increase to, the congressional small business committees.

### Co-sponsored the Small Energy Efficient Businesses Act

Amends the Small Business Investment Act of 1958 to: (1) authorize financial assistance through the Small Business Administration (SBA) to state and local development companies for projects that reduce energy consumption by at least 10%, reduce the use of non-renewable energy sources, or generate renewable energy sources; and (2) provide loan limits for such projects. Amends the Small Business Act to direct the SBA Administrator to make small business loans to purchase energy efficient equipment or fixtures, or to reduce the borrower's energy consumption. Authorizes a small business development center to carry out a small business sustainability initiative (support to small businesses to evaluate their energy efficiency and achieve increased efficiency).

### Co-sponsored the Small Business Regulatory Improvement Act

Revises the Regulatory Flexibility Act. Defines the "economic impact" of a rule to include any direct or indirect economic effects on small entities. Requires initial regulatory flexibility analyses of a proposed rule to contain a detailed statement describing the type of small entities to which the proposed rule will apply, among many other provisions.

### Co-sponsored the Job Creation Through Entrepreneurship Act of 2009

Amends the Small Business Act to direct the Administrator of the Small Business Administration (SBA) to establish a Veterans Business Center Program to provide entrepreneurial training and counseling to veterans. Requires the Program to be headed by a Director, who shall establish a process to designate entities as veterans business centers. Provides funding for such centers. Requires each center to provide veterans' entrepreneurial development, counseling of veteran-owned small businesses, and government procurement assistance to veterans. Targets

for such centers areas where the population of veterans, and the population of veterans of Operations Iraqi Freedom or Enduring Freedom, exceed the national median. Authorizes appropriations.

Supported HR 578, the Access to Capital for Entrepreneurs Act to provide a tax credit for 25% of equity investments made in small businesses.

Amends the Internal Revenue Code to allow angel investors a business tax credit for 25% of equity investments made in small businesses, up to an annual limit of \$500,000. Terminates such credit after 2011.

Supported HR 2803, the Angels Nurture Growing Entrepreneurs into Long-term Successes Act Provides a small business investment tax credit of 20% of the amount paid or incurred for qualified small business investment.

*Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including as Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever elected to the U.S. Congress.*